



MINUTES

Trustees Present: Kirk Schueler (chair), Patty Bedient (vice chair), Rani Borkar, Julia Brim-Edwards, Darry Callahan, Maria Chávez-Haroldson, Susan Clark, Michele Longo Eder, Román Hernández, Lamar Hurd, Becky Johnson (*ex officio*), Julie Manning, Preston Pulliams, Jax Richards, Inara Scott

University Staff Present: Mike Bamberger, Jackie Bangs, Sherm Bloomer, Jack Breen, Ryan Bucher, Penny Burgess, Steve Clark, Katie Fast, Ed Feser, Susan Gardner, Becca Gose, Mike Green, Heather Hesano, Jen Humphreys, Kate MacTavish, Kristen Nielsen, Paul Odenthal, Gabrielle Serra

1. Call to Order/Roll/Declaration of a Quorum

Board Chair Kirk Schueler called the meeting to order at 9:15 a.m. Schueler then requested that attendees hold a moment of silence in recognition of the pain and loss experienced by victims of the Uvalde school shooting as well as the 2-year anniversary of the murder of George Floyd. Following the minute of silence, Schueler asked Board Secretary Jackie Bangs to call the roll. A quorum was noted. Schueler then made a land acknowledgement statement.

2. Public Comments*

There were no public comment requests.

3. Opening Comments and Reports

a. **Chair's Comments**

Schueler began by expressing appreciation to the trustees and staff for their time and effort on the presidential search process. Schueler encouraged community members to visit the presidential search website to provide comment on the two candidates who visited earlier this week, noting that there was good participation during the visits.

Schueler then acknowledged Interim President Becky Johnson's accomplishments and service to OSU, not only during this past year as interim president, but during her entire time at OSU.

b. **President's Report**

Johnson began by expressing appreciation for the opportunity to serve as interim president and to the trustees for their dedication to OSU. Johnson went on to share that OSU is in a great place to welcome a new president, noting strong enrollment, interdisciplinary research, OSU's statewide impact and a

relatively strong budget. Johnson then expressed appreciation for faculty, staff, students and alumni for supporting OSU's success. Johnson then spoke about the upcoming launch of the OSU Foundation's fundraising campaign, noting the steadfast, goal-driven dedication of the staff, trustees and volunteers.

Johnson spoke about recently attending the 150th anniversary of the Reserve Officer Training Corps (ROTC) program at OSU and expressed appreciation for the dedication of the students who will commission into active duty or reserves. Johnson then spoke about the recent anniversary of the murder of George Floyd and shared that the President's Commission on the Status of Black Faculty and Staff Affairs (PCBFSA) hosted the inaugural OSU State of Black Affairs Summit in Portland, which was an opportunity to build community and advance Black excellence in the Portland region and throughout Oregon.

Johnson spoke about the Faculty Excellence Awards banquet, noting that members of both the OSU Foundation (OSUF) Board and OSU Board of Trustees were able to attend and thanked the provost's office and the OSUF for sponsoring the event.

Johnson shared that the commencement ceremonies for Corvallis and OSU-Cascades were upcoming, stating that 7,318 degrees will be awarded in Corvallis and 293 in Bend.

Johnson spoke about athletics, noting the Beaver baseball team is advancing in their tournament and that she will be attending the upcoming super regionals softball game. Johnson shared that the collective G.P.A. for OSU athletes is higher than that of the OSU population in general. She then went on to speak about the major changes occurring nationally in athletics and expressed appreciation for OSU's athletic leaders who are helping us to navigate through the changes.

Lastly, Johnson voiced appreciation for being able to meet the presidential finalists and expressed optimism for OSU's future.

c. **Associated Students of Oregon State University Report**

President-elect Matteo Paola shared his priorities for next academic year. As the meeting was ahead of schedule, outgoing president Dhru Patel had not yet arrived. Chair Schueler went on to other reports and asked Patel to provide his report when he arrived. Patel shared what ASOSU has accomplished during the past year, including recognition of the needs of the student body in light of the pandemic. He reiterated that basic needs, student employment wages and sustainability were the three pillars of ASOSU's leadership this year, and shared more information about progress and accomplishments in those areas.

Patel then went on to express appreciation to the student body and his fellow student leaders for allowing him to represent them and his pride in doing so as a first-generation American and college student. He expressed significant frustration about his and other student leaders' ability to accomplish some of their goals due to what he characterized as a lack of cooperation from administration. Patel said that student leaders and students need to be

genuinely considered for the important work they are doing and that their voice must be included in critical conversations. Board members thanked him for his work, accomplishments and candor.

d. **Associated Students of Cascades Campus Report**

Taha Elwefati announced that he had been re-elected and will be back next year as ASCC president. He also recently participated in an advocacy trip with ASOSU to Washington D.C. Elwefati expressed that he would like to see more collaboration with leadership, including in the way committees are structured, and that it is necessary to build trust between students and administration.

e. **OSU Foundation Report**

OSU Foundation (OSUF) member and liaison to the board of trustees John Stirek began the report by sharing that the OSUF has experienced a record-breaking fundraising year. Stirek expressed appreciation for the strong partnership of the boards (OSUF and trustees) and university leadership. Stirek said that the endowment is impacted by challenging market conditions, however, the market value is over \$847M as of end of March. Stirek said that in FY21, they were able to increase the distributions to the university to \$22.3M, \$1.4M more than the previous year. Stirek said that Dam Proud Day on April 27 was a great success, engaging community members online and in person as well as in every state in the U.S. and several countries.

f. **Faculty Senate Report**

Kate MacTavish, who was recently installed as Faculty Senate president, provided information about her background then shared the Faculty Senate report. MacTavish said that there is strong enthusiasm about the presidential candidates. MacTavish shared that faculty appreciate the open process as well as the leadership of Search Advisory Committee Chair Trustee Julie Manning. MacTavish then provided an update on the Bacc Core Reform efforts. MacTavish expressed concerns related to recruitment and retention of women of color, particularly in leadership positions.

g. **Higher Education Coordinating Commission Report** (*speaker unavailable*)

[Link to written report](#) submitted from Ben Cannon's office.

h. **Presidential Search Advisory Committee Report**

Presidential Search Advisory Committee (SAC) Chair Trustee Julie Manning provided an overview of what has transpired in the search since the last board meeting. Manning said that in April the SAC evaluated the presidential candidate pool using the criteria matrix as a guide and conducted screening interviews in early May. Manning briefed Chair Schueler on the SAC's summary of feedback regarding semifinalists. Chair Schueler shared his recommended list of semi-finalists for consideration by the full board during the May 5 executive session. The full board interviewed semi-finalists in executive sessions on May 7 and May 9.

Following the completion of those interviews, the board determined a list of individuals to invite to continue in the process, including intensive due diligence

activity and in-person interviews in Corvallis. Manning said that on May 20, the board announced the finalists: Dr. Charles Martinez Jr. and Dr. Jayathi Murthy. Manning noted that the in-person interviews and campus forums occurred earlier in the week and that there were high levels of participation in every meeting, both in person and online. Manning said they were currently in the process of collecting community input submitted via an online feedback form, available via the presidential search website. Manning said that on Tuesday, May 31, the board will meet in executive session to discuss the community feedback and due diligence results then rank the finalists. The board will then meet in public session to delegate authority to Chair Schueler to negotiate a contract, with the intent to announce an appointment of the new president on either June 3 or June 7.

Manning then spoke in more detail about the due diligence process. She concluded by expressing appreciation to the university community for their engagement, to the search firm Isaacson Miller, to the Search Advisory Committee, to the staff in the Board of Trustees Office, Office of the Provost, and Office of the President who supported the process and to the board of trustees members for their time, energy and care to the search.

i. **Presidential Transition Committee Report**

Trustee Darry Callahan, chair of the Presidential Transition Committee (PTC), began by sharing excitement to be on the cusp of selecting and welcoming OSU's next president. He expressed appreciation to the Search Advisory Committee chaired by Julie Manning, this board, and the valued engagement of the OSU community.

Callahan spoke about briefing materials that have been prepared for the new president that include descriptions of the colleges and central units. Callahan said that a lot of time has been spent working on the needed engagements for the new president to make sure we have a list of everyone who will need to meet with the president. Callahan said that the PTC wants the president to be quickly exposed to faculty, staff and students and that the PTC is actively working and has created an inventory of engagements that will be critical to the introduction of the new president to the university community, our diverse state, and colleagues in higher education in the coming weeks, months and first year.

Callahan said that engagement opportunities may occur over the summer, but they will not replace extensive engagement with faculty, staff and students when all are back in fall.

4. Consent Agenda

- a. **Minutes of the April 8, 2022 Board Meeting**
- b. **Capital Project Stage Gate II: Gilkey Hall Renovation**

Chair Schueler asked if there were questions or comments on the consent agenda. Hearing none, a motion was raised, seconded and carried to approve the consent agenda.

5. Reports of Standing Committees of the Board

a. Academic Strategies Committee

Academic Strategies Committee Chair Preston Pulliams began with an overview of Provost Feser's report to the committee from the previous day. The report included updates on the following: the university's management of COVID-19; enrollment management; baccalaureate core reform; union bargaining; progress on the university's diversity strategic plan; shared governance training for community members; and promotion and tenure review.

Pulliams shared academic program deletions and additions proposed to the committee, as well as a student life update provided by Associate Vice Provost and Dean of Students Kevin Dougherty. Pulliams also said that the committee heard from Vice President and Athletic Director Scott Barnes, who focused on student athlete success, student athlete competitive success and fundraising success. Lastly, Pulliams spoke about an update heard by the committee on the university's talent management efforts.

b. Finance & Administration Committee

Finance & Administration Committee Chair Darry Callahan gave an overview of Vice President for Finance and Administration Mike Green's report to the committee, which included information about the sale of the South Farm property, information about the status of the Chief Human Resources Officer position recently vacated by Cathy Hasenpflug and cost escalation implications for capital projects.

Callahan said that the committee approved several items on the consent agenda and took action to advance two projects to design/development: the Innovation District at OSU-Cascades and the Withycombe Hall renovation project. Callahan shared that the committee voted on projects to move to consideration of the board, including the Whyte Track and Field, modification to the Honors College differential tuition, the FY2023 Operating Budget and an amendment to the Capital Project policy.

Callahan said the committee learned how OSU is addressing research infrastructure needs, which included conversation about the Collaborative Innovation Complex (CIC). Callahan said that the committee continued its in-depth focus on the university's investment strategy and discussed long term investments.

c. Executive & Audit Committee

Chair Schueler said that the Executive & Audit Committee received and approved the Office of Audit, Risk & Compliance Progress Report; heard a Public Safety update; met Cedar, the new wellness dog recently adopted by the Department of Public Safety; received an update on the changing landscape of athletics from General Counsel Becca Gose and Vice President and Athletic Director, Scott Barnes; and received an All Hazards Planning and Risk Management Report from Emergency Manager Mike Bamberger and Associate Vice President for Finance and Administration Paul Odenthal.

6. Action Items

a. House Bill 3375 Educator Equity Plan 2022-2024

Chair Schueler invited Susan Gardner, dean of the College of Education, and Kristen Nielsen, associate dean of educator preparation to speak on the College of Education's plan. Gardner shared that the OSU College of Education produces more teachers than any other college of the university, which influences the college's plans resulting from House Bill 3375. Gardner said that HB 3375 began in 2015 with the goal to produce more racially, ethnically and linguistically diverse teachers in the state of Oregon to better align with the state's demographics of an average of 39% students of color. Gardner spoke about the college's goals to diversity the teaching work force and to increase access to the college's six pathway programs. Gardner said that the college plans to provide additional advising to students as well as training and professional development to faculty and staff on how to best support underrepresented student populations.

A motion was made and seconded to forward the Educator Equity Plan for 2022-24 to the Higher Education Coordinating Commission (HECC) for approval. The motion carried.

b. Lease Agreement with USDA

Paul Odenthal, senior associate vice president for Finance and Administration; Nicole Neuschwander, director of Leasing and Real Property Management; Jack Breen, chief operating officer with the College of Agricultural Sciences; and Terry Meehan, senior associate general counsel discussed extending the current leasing agreement OSU has with the United States Department of Agriculture (USDA). Neuschwander said that although the request is for a new ground lease agreement, effectively, it extends an existing lease agreement to the USDA for the location off Peoria Rd at the Lewis Brown Farm, noting that all improvements are the responsibility of the USDA. Neuschwander shared the main terms and conditions of the ground lease and an overview of the financial components, noting there will be no rent charged. Breen then spoke about the collaboration between the USDA and OSU and the value to OSU and the state of Oregon.

A motion was made and seconded to authorize the OSU president to move forward with the negotiation and execution of a ground lease agreement between OSU and the USDA Agricultural Research Service National Clonal Germ Plasm Repository that is consistent with the terms set forth in the term sheet in Attachment 1. The motion carried.

c. Investment Policy Amendments

Heather Hesano, director of Treasury, and Penny Burgess, executive director of the University Shared Services Enterprise, spoke about an updated recommendation to the Investment Policy Amendments. Hesano shared that staff have identified investment opportunities that are reflected in the recommended investment policy changes. Hesano gave an overview of the recommendations, including some housekeeping updates. Hesano exchanged questions and comments with the board about the board's fiduciary

responsibility. Green noted that there are also controls in place to ensure there are multiple viewpoints on what OSU is doing and that we are not taking undue risk.

A motion was made and seconded to approve the Investment Policy Amendments as provided in Attachment 1, and the motion carried.

d. **FY2023 Modification to Honors College Differential Tuition**

Callahan began by explaining that the Finance and Administration Committee is recommending that the board approve a proposal by the Honors College to extend the Honors College baccalaureate degree to Ecampus students. Callahan said that the current differential tuition rate is \$500/quarter regardless of the credit hour enrollment. Callahan said that since a large number of Ecampus students are part-time, a differential tuition rate of \$250 would apply to part-time students, regardless of learning location, and that the \$500/quarter would continue to apply to those taking more than 12 credits.

A motion was made to approve the modification to Honors College differential from \$500/quarter at any credit load to \$250/quarter for students admitted to the Honors College taking 1-11 credit hours and \$500/quarter for students admitted to the Honors College taking 12 or more credit hours. The differential charge would apply to Corvallis, OSU-Casades and Ecampus students and would extend opportunities for the Ecampus experience to all undergraduate students regardless of location.

The motion was seconded and carried.

e. **FY2023 Operating Budget**

Vice President for Finance and Administration Mike Green said that enrollments are strong going into the next year and that the financial effects of the pandemic are mostly behind us, noting caution. He provided a high-level overview of various units and how they are coming back after the pandemic.

Associate Vice President of Budget and Resource Planning Sherm Bloomer then gave an overview of the FY2023 Operating Budget. Bloomer provided context for next year in terms of state funding, student applications, expected enrollment trends for Ecampus and domestic students, and declining international enrollment. Bloomer anticipates that the self-support units will return to near normal levels of activity and strong growth is expected in restricted funds (grants and contracts).

Bloomer said that the budget is built from three buckets: education and general funds (E&G), restricted funds and self-support funds. Bloomer then provided an overview of what happened with each of these bucket areas historically and showed the proposed budget for the coming year, noting that fund balance will be used to cover some anticipated expenses in the coming year.

Bloomer addressed anticipated challenges for the E&G budget, including national enrollment trends; pandemic transfer impacts; decrease in international

students; and increased costs in debt service, insurance, personnel, inflation and contractual costs. Bloomer said that the strategy is to prioritize the most important things, which will go forward and be funded out of reserves for this year then become part of the base for FY2024 budget.

Bloomer spoke about challenges in self-support funds, including the ability to hire and keep staff to support full-time operations and reduced demand in some areas. For restricted funds, Bloomer said that grant revenues and applications have remained strong but the ability to execute projects on time and to budget is a challenge. Lastly, Bloomer spoke to the change in enrollment strategy and institutional tuition waivers (financial aid), noting that OSU has doubled the amount of institutional financial aid it is awarding, focusing on net tuition revenue.

A motion was made and seconded to approve the proposed FY2023 Operating Budget. The motion carried.

f. **Capital Project Stage Gate II: Whyte Track and Field Center Grandstands**

Callahan stated that the Finance and Administration Committee voted to recommend that the board approve the Whyte Track and Field Center Grandstands to move to construction phase, Stage Gate II with a project budget of \$7.3M. Senior Associate Vice President Paul Odenthal said that the project will provide much needed advancement for OSU's track program with a 1,200-seat grandstand at the Whyte Track and Field, expanding restrooms, a press box and improved facilities. Odenthal said that of the overall \$7.3M budget, \$3.5M will come from athletics donations; \$1.7M will come from revenues from the Reser Stadium project; and \$2.1M in E&G.

Ryan Bucher, associate athletic director for Facilities and Events, then spoke to the transformative advantages for students and fans and said the completed project will allow OSU to host Division I track and field events, including the PAC 12 Outdoor Track and Field Championship that we are not able to currently host.

A motion was made and seconded to approve moving the Whyte Track & Field Center Grandstands project to State Gate II.

g. **Amendments to Approval of Capital Projects Policy**

Callahan invited Senior Associate Vice President Paul Odenthal to provide an overview of the proposed amendments to the Capital Projects Policy. Odenthal provide background information on the Capital Projects policy, including approval thresholds and processes. Odenthal then reviewed suggested updates, which include a change to the dollar amount threshold (increase to \$10M), a requirement for review of changes of 15% or greater to previously approved budgets (up from 10%) and a scope change requirement if the project is inconsistent with the scope that was approved at Stage Gate II.

A motion was made to approve the proposed amendment to the approval of the Capital Project policy as provided in Attachment 1. It was seconded and the motion carried.

7. Discussion Items

a. Federal Legislative Update

Gabrielle Serra, director of Federal Government Relations, provided a brief legislative update. Serra's presentation included information about OSU's Federal Relations teams (Serra + 2 D.C.-based consultants with Strategic Marketing Innovations – SMI), efforts on securing funds for OSU, and updates on efforts currently underway in Congress and the Administration that are of interest to OSU. Serra highlighted FY22 funding impacts for OSU including additional funding for PacWave construction and new and long-term investment in OSU statewide research and extension programs through collaborations with the USDA.

Serra spoke about legislative objectives for FY23, noting a tight budget landscape. Serra said the FY23 funding objectives include financial aid programs and OSU strategic funding objectives such as PacWave construction; new research opportunities to grow our collaborations with federal partners; and additive manufacturing. Serra said FY23 earmark requests in the Senate include the Elliott State Research Forest (monitoring equipment for start-up), Hatfield Marine Science Center, OSU-Cascades (childcare facility equipment grant) and OSU/ARS Facilities support (deferred maintenance). Serra spoke about science and innovation legislative objectives including the CHIPS Act (semiconductor funding). Serra finished by speaking about Administration actions of interest to OSU including Title IX, DACA, Student Loan Policy and College Athletics/NIL.

8. Adjournment

With no further business, the meet adjourned at 1:04 p.m.

Respectfully Submitted,



Jen Humphreys
Assistant Board Secretary